

**IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:)	Case No. 10-41902-705
)	
US FIDELIS, INC.,	)	Chapter 11
)	
Debtor.	)	JOINT APPLICATION OF
	)	OFFICIAL UNSECURED
	)	CREDITORS' COMMITTEE AND
	)	DEBTOR TO EMPLOY
	)	AUCTIONEER TO ASSIST IN
	)	SALES OF REAL AND
	)	PERSONAL PROPERTY
)	
	)	Hearing Date: February 16, 2011
	)	Hearing Time: 10:00 a.m.
)	

COMES NOW the Official Committee of Unsecured Creditors (the "Committee") for US Fidelis, Inc. and US Fidelis, Inc. (the "Debtor"), by and through their respective undersigned counsel, and hereby apply to this Court for an order authorizing the employment of Thornhill Real Estate & Auction Co. ("Thornhill Auction") to assist in the sale of certain personal property owned by the estate (the "Application"). In support of the Application, the Debtor and the Committee respectfully states as follows:

1. On March 1, 2010 (the "Petition Date"), the Debtor filed a voluntary petition in this Court for relief under Chapter 11 of the Bankruptcy Code.
2. This Court has jurisdiction to hear and determine this matter pursuant to 28 U.S.C. § 1334, 28 U.S.C. § 157(a), (b)(1), (b)(2)(A), and E.D.Mo. L.R. 81-9.01(B)(1). This is a "core" proceeding under 28 U.S.C. § 157(b)(2)(A).
3. Venue is proper in this Court pursuant to 28 U.S.C. § 1409.

4. On October 22, 2010, this Court entered its Order Granting the Settlement Motion (the “Settlement Order”) where a large number of assets were transferred back to the Debtor for sale and disposition. The transactions contemplated by the Settlement Order closed on or about November 8, 2010.

5. Among the assets surrendered to the estate are certain vehicles, household furnishings, and jewelry. In addition, the Debtor itself owns numerous items of personal property that is no longer needed for the operations of the Debtor’s business. The Debtor also now owns certain unimproved real estate located in St. Charles County, Missouri.

6. The movants wish to retain a qualified professional to assist in auctioning the real and personal property described in paragraph 5 above (the “Property”).¹

7. The movants have selected Thornhill Auction to assist in the marketing and auction of the Property. A summary of the terms and conditions of Thornhill Auction’s employment follows:

Asset(s) to be marketing	Personal Property including vehicles, household furnishings, and jewelry and two parcels of real estate
Commission Structure	7% of sale price of the personal property and 3% of the sale price of the real property, payable at closing plus reimbursement of advertising and other actual and necessary costs

8. David Thornhill, of Thornhill Auction, has executed an affidavit in support of this Application which is attached hereto as Exhibit A. Based on the Thornhill Affidavit, the Movants believe that neither David Thornhill nor Thornhill Auction hold or represent any interest adverse to the Debtor or the estate in matters for which Thornhill Auction is proposed to

¹ A minor amount of the Property is actually owned by affiliates of the Debtor that are not themselves in bankruptcy. Thornhill will separately account for these assets, which shall be sold on the same basis as the Debtor’s assets.

be retained. The Movants believe that Thornhill Auction is a “disinterested person” within the meaning of Section 101(14) of the Bankruptcy Code.

9. The Movants request that the Debtor be authorized to execute one or more auction agreements with Thornhill Auction that is consistent with the summary set forth above.

WHEREFORE, the Debtor and the Committee respectfully request that this Court enter an order authorizing the Debtor and the Committee to jointly retain and employ Thornhill Auction on the terms set forth herein, and for such other relief as this Court deems just and proper.

Dated: February 10, 2011

THOMPSON COBURN LLP

By: /s/ David A. Warfield

David A. Warfield (34288MO)
dwarfield@thompsoncoburn.com
One US Bank Plaza
St. Louis, MO 63101
Ph. 314.552.6000
Fax: 314.552.7000

Attorneys for the Official Committee of Unsecured
Creditors for US Fidelis, Inc.

and

LATHROP & GAGE LLP

By: /s/ Robert E. Eggmann

Robert E. Eggmann, (37374MO)
reggmann@lathropgage.com
7701 Forsyth Blvd., Suite 400
Clayton, Missouri 63105
Telephone: (314) 613-2800
Telecopier: (314) 613-2801

Attorneys for Debtor US Fidelis, Inc.

Certificate of Service

The undersigned hereby certifies that a true and accurate copy of the foregoing was electronically served on all parties receiving notice through the Court's CM/ECF system this 10th day of February, 2011, and by first class mail and/or electronic mail on:

David Thornhill
Thornhill Real Estate & Auction Co.
P.O. Box 229
Hwy 61 South
Troy, MO 63379

/s/ David A. Warfield

Exhibit A

Affidavit of David Thornhill

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:)	
	)	Case No. 10-41902-705
)	
US FIDELIS, INC.,	)	Chapter 11
)	
Debtor.	)	AFFIDAVIT OF DAVID
	)	THORNHILL IN SUPPORT OF
	)	JOINT APPLICATION OF
	)	OFFICIAL UNSECURED
	)	CREDITORS' COMMITTEE
	)	AND DEBTOR TO EMPLOY
	)	AUCTIONEER TO ASSIST IN
	)	SALES OF REAL AND
	)	PERSONAL PROPERTY

I, David Thornhill, being duly sworn upon my oath, state the following:

1. I am over the age of 18 and am in all ways competent to make this Affidavit.
2. I am an owner/broker/auctioneer of Thornhill Real Estate & Auction Co.

("Thornhill Auction") ("Thornhill Auction") which maintains an office at 441 John Deere Drive, Troy, MO 63379.

3. Thornhill Auction has been in business since 1963 and has conducted over 2,500 auctions of real and personal property. Thornhill Auction previously assisted the Debtor and the Committee in this case by auctioning real estate that yielded, after expenses, over \$1.1 million for the bankruptcy estate.

4. Thornhill Auction has agreed have agreed, subject to court approval, to a auction agreement (the "Auction Agreement") where Thornhill Auction will assist the Debtor and its Creditors Committee in the marketing and sale of certain additional real and personal property. Thronhill

Auction has agreed to be paid a commission of 7% of the gross sale price plus reimbursement of actual and necessary expenses of the sale, including advertising expenses.

5. Except as explained herein, Thornhill Auction has no connection with any creditor or interested party herein, the U.S. Trustee or any employee of the U.S. Trustee, and we represent no interest adverse to the estate or the Debtor.

6. Thornhill Auction is a disinterested person as defined in section 101 of the Bankruptcy Code as it is not a creditor, an equity security holder, or an insider, and it has not been an employee, director, or officer of the debtor within the last 2 years, and it does not have an interest materially adverse to the interests of the estate or of any creditor or equity security holder, by reason of any direct or indirect relationship to, connection with, or interest in, the debtor, or for any other reason, to the best of my knowledge.

7. Thornhill Auction has agreed to be compensated as set forth herein..

FURTHER AFFIANT SAYETH NOT.

David Thornhill
Broker / owner

STATE OF MISSOURI)
) ss.
COUNTY OF LINCOLN)

Subscribed and sworn to before me this 8th day of February, 2011.



CHRISTINA A. PEASEL
My Commission Expires
July 15, 2013
Lincoln County
Commission #09503314

Christina A. Peasel
Notary Public

My Commission Expires: 7-15-2013